GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:5947
ANSWERED ON:02.05.2003
IRREGULARITIES IN TRANSPORT SUBSIDY SCHEME
A.P. JITHENDER REDDY

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether review of the Transport Subsidy Scheme revealed several serious shortcomings leading to irregular and excess reimbursements to industrial units;

(b) if so, the details thereof for the last three years;

(c) whether the Government have conducted any inquiry into the matter; and

(d) if so, the steps taken by the Government to prevent such irregularities in future ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CH. VIDYASAGAR RAO)

(a) to (c): The Audit had undertaken a review of the Transport Subsidy Scheme for the period 1994-95 to 1999-2000. The related Audit examinations have been included under Chapter 1.1 of the Report of the Comptroller and Auditor General of India for the year ended March, 2000 (No.2 of 2001) and the Report has been placed on the Table of the House. The Government have taken steps to effect recovery of the excess payments made against the provisions of the Scheme.

(d): The following steps have been taken to prevent irregularities and monitor the implementation of the Scheme more effectively:

(i) Procedural changes have been introduced by way of detailed check list and scrutiny at all levels with a view to eliminate the ineligible claims.

(ii) Pre-audit of the claims is being carried out in most of the cases depending upon the quantum of claims.

(iii) Sanctions and disbursements of Transport Subsidy are put up on the website of the D/o Industrial Policy & Promotion with a view to ensure transparency and check any irregularities.